Unknown

From: Larry Stinson [larrystinson@hotmail.com]
Sent: Sunday, September 14, 2008 10:28 PM
To: Kim; Anna C (GOV); Bob Lynn; Roses; Bob (LAA); Brian Richardson; John Harris; Perry; Kristina Y (GOV); Paul Richards; Rep_John_Coghill@legis.state.ak.us; Lynn; Bob (LAA); Palin; Sarah H (GOV); Parnell; Sean R (GOV); Bunde; Con (LAA); Olson; Donny (LAA); Dyson; Fred (LAA); Therriault; Gene (LAA); French; Hollis (LAA); Thomas; Joe (LAA); Kraly; Stacie L (LAW)
Subject: FW: DOJ CON statement

Department of Justice again advises repeal of state Certificate of Need due to abuses and ineffectiveness.

From: larrystinson@hotmail.com
To: larrystinson@hotmail.com
Subject: DOJ CON statement
Date: Sun, 14 Sep 2008 23:10:49 -0700

http://www.ftc.gov/opa/2008/09/ilcon.shtm

Federal Trade Commission, Department of Justice Issue Joint Statement on Certificate-of-Need Laws in Illinois

Agencies Say CON Laws Undercut Consumer Choice, Stifle Innovation and Weaken Markets' Ability to Contain Health Care Costs

In a joint statement to the Illinois Task Force on Health Planning Reform, the Federal Trade Commission and Department of Justice (DOJ) stated the agencies' position regarding certificate-of-need (CON) laws, saying that the laws undercut consumer choice, stifle innovation and weaken markets' ability to contain health care costs. Today's statement reiterates the agencies' ongoing efforts to promote competition in health care.

State CON programs generally prevent firms from entering certain areas of the health care market unless they can demonstrate to state authorities that there is an unmet need for their services. The task force is considering eliminating or amending Illinois' CON requirements. The agencies were asked by the task force to present their views at a meeting to be held in Chicago on Sept. 15, 2008.

FTC Chairman William Kovacic underscored the importance of health care competition, stating that, "The health care industry provides us all with fundamental services at significant and vulnerable times. Vigorous competition can promote greater access to cost-effective, high-quality health care."

In the joint statement, the agencies said that CON laws impede the efficient performance of health care markets by creating barriers to entry and expansion, to the detriment of health care competition and consumers. The statement describes economic research on the effects of CON laws, as well as some of the risks that CON laws can entail. For example, in addition to limiting entry, CON laws create opportunities for existing competitors to

exploit the CON process to thwart or delay new competition; they can facilitate anticompetitive agreements among providers; and the CON process itself may be susceptible to corruption.
"The Antitrust Division is committed to providing guidance on how to promote competition in the health care industry," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "Competition in this important industry benefits consumers by offering lower prices and better quality services."

The joint statement also evaluates several arguments in support of CON laws, noting that the original cost-control reasons for CON laws no longer apply and that CON laws are an ineffective means to fund indigent care. For these reasons, the agencies encourage members of the Illinois task force – as well as officials in other states that continue to require certificates of need – to consider whether such laws do more harm than good.
Today's statement is based on the agencies' extensive experience with CON laws. The agencies jointly conducted hearings on issues in health care competition, including CON laws, in 2003; those hearings, and related research, led to a 2004 report, Improving Health Care: A Dose of Competition, which observed that, "on balance, CON programs are not successful in containing health care costs, and that they pose serious anticompetitive risks that usually outweigh their purported economic benefits." Today's statement is based on that report and more recent economic studies. Recently, the agencies have provided similar statements to the General Assembly and the Senate of the state of Georgia; the Committee on Health, Education and Social Services of the Alaska House of Representatives; and the Florida Senate Committee on Health and Human Services Appropriations.
The Commission vote approving the joint statement was 4-0.
Copies of the joint testimony are available from the FTC's Web site at http://www.ftc.gov and the FTC's Consumer Response Center, Room 130, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. The FTC's Bureau of Competition works with the Bureau of Economics to investigate alleged anticompetitive business practices and, when appropriate, recommends that the Commission take law enforcement action. To inform the Bureau about particular business practices, call **202-326-3300**, send an e-mail to antitrust@ftc.gov, or write to the Office of Policy and Coordination, Room 394, Bureau of Competition, Federal Trade Commission, 600 Pennsylvania Ave, N.W., Washington, DC 20580. To learn more about the Bureau of Competition, read "Competition Counts" at http://www.ftc.gov/competitioncounts.

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Unknown

From: Ruaro, Randall P (GOV) [randall.ruaro@alaska.gov]
Sent: Sunday, September 14, 2008 4:32 PM
To: 'sp@hslak.com'
Cc: Colberg; Talis J (LAW)
Subject: RE: Price gouging

Governor:

I am not sure whether Talis has gotten back to you. If he has, that information is probably more current then the brief status report I received from Ed Sniffen at LAW last week.

Ed has started gathering information on costs, prices, etc., LAW has also retained an expert economist, I believe his name is Barry Pulliam from ECONONE to analyze the data.

Ed has also been setting up meetings with the refiners to ask them questions and get additional information and to speak to their experts. Ed thought that LAW may have a preliminary report done by the end of the year.

I am copying this e-mail to Talis in case he has any thoughts to add or corrections to make.

Thanks,

Randy

-----Original Message-----

From: sp@hslak.com [mailto:sp@hslak.com]

Sent: Sunday, September 14, 2008 7:29 AM

To: Colberg, Talis J (LAW)

Cc: Nizich, Michael A (GOV); Ruaro, Randall P (GOV)

Subject: Price gouging

Hi Talis! What's new with AG investigation on gas prices in AK?

Sent via BlackBerry by AT&T